

Message Text

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60

ACTION ARA-10

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TO SECSTATE WASHDC 7590

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY GEORGETOWN

AMEMBASSY CARACAS

AMEMBASSY KINGSTON

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E.O. 11652: N/A

TAGS: ELAB, PINT, ENRG, TD

SUBJ: LABOR/POLITICAL CRISIS DRAGS ON.

REF: POS 683 AND PREVIOUS

BEGIN SUMMARY. THE CRISIS RESULTING FROM THE LABOR UNREST IN THE SUGAR AND OIL INDUSTRIES WHICH HAS BROUGHT ALL WORK ON THE SUGAR CROP TO A STANDSTILL AND FORCED TEXACO TO CLOSE DOWN ALL OF ITS OPERATIONS IN TRINIDAD CONTINUED THIS WEEK WITH SEVERAL DEVELOPMENTS BUT NO REAL PROGRESS TOWARD RESOLUTION. THE BARGAINING POSITIONS OF TEXACO AND THE OIL WORKDERS UNION MOVED SOMEWHAT CLOSER TOGETHER BUT ALL PARTIES IN THE SUGAR DISPUTES REMAINED ADAMANT IN THEIR DEADLOCKED POSITIONS. THERE WAS ACTIVITY IN VARIOUS COURTS, BUT THE OUTCOME WILL PROBABLY NOT HAVE ANY IMMEDIATE EFFECT ON THE CRISIS. THE GOVERNMENT RESUMED ITS SILENCE AND AVOIDED PUBLIC STATEMENTS OR DISCUSSION. END SUMMARY.

1. THE OILFIELD WORKERS TRADE UNION (OWTU) AND TEXACO CONTINUED THEIR TALKS IN THE INDUSTRIAL COURT WHICH ARE LIMITED OFFICIAL USE

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PRELIMINARY TO THE COURT HOLDING PUBLIC HEARINGS AND ISSUING

A DECISION IN THE DISPUTE. ON APRIL 2 TEXACO INCREASED ITS WAGE OFFER FROM 30 PERCENT TO 40 PERCENT OVER THREE YEARS PLUS A BONUS OF 6 PERCENT OF 1974 WAGES. THE OWTU REJECTED THE TEXACO OFFER AND COUNTERED BY REDUCING ITS DEMAND FROM 147 PERCENT TO 107 PERCENT ON THE CONDITION THAT TEXACO ESTABLISH A FUND TO AID THE POOR AND UNEMPLOYED, ESPECIALLY THE CANE FARMERS. THE OWTU ALSO ASKED THE TRINIDAD AND TOBAGO LABOUR CONGRESS (TTLC) TO JOIN THE UNITED LABOUR FRONT (ULF) IN A 24-HOUR GENERAL STRIKE TO PROTEST ALLEGED POLICE BRUTALITY WHICH OCCURRED DURING THE MAR. 18 MARCH. SO FAR THE TTLC HAS NOT RESPONDED TO THE OWTU BUT IT IS REPORTED TO HAVE DECIDED AGAINST A GENERAL STRIKE.

2. AWAY FROM THE BARGAINING TABLE, THE HOMES OF BOTH SOME TEXACO OFFICIALS AND OWTU OFFICERS HAVE BEEN DAMAGED BY MOLOTOV COCKTAILS AND AN ATTEMPT WAS MADE TO SET ONE OF TEXACO'S KEROSENE STORAGE TANKS ON FIRE. OTHER ACTS OF VANDALISM AND INTIMIDATION HAVE BEEN COMMITTED AGAINST TEXACO EMPLOYEES BUT SO FAR THE POLICE HAVE NOT APPREHENDED ANY OF THE CULPRITS.

3. THE DISPUTE EXISTING BETWEEN CARONI, LTD. AND THE ALL TRINIDAD SUGAR WORKERS UNION OVER PROFIT SHARING AND WORKING CONDITIONS REMAINS STALEMATED AND ALL THREE SUGAR COMPANIES REMAIN SHUT DOWN. THE GOVERNMENT ANNOUNCED THAT IT WAS BUYING MORE SHARES IN THE COMPANY (OF WHICH IT ALREADY HOLDS 55 PERCENT), PRESUMABLY TAKING ADVANTAGE OF THE FALL OF CARONI STOCKS TO HALF THEIR FORMER VALUE ON THE LONDON EXCHANGE. ALL TRINIDAD PRESIDENT BASDEO PANDAY SAID THAT HE UNDERSTOOD THAT THE GOVERNMENT INTENDED TO REINCORPORATE THE COMPANY LOCALLY AND THAT HIS MEMBERS WOULD RETURN TO WORK IMMEDIATELY IF THEY WERE ALLOWED TO SELECT THE DIRECTORS FOR THE NEW COMPANY.

4. IN THE CANE FARMER DISPUTE THE COURT OF APPEAL, INCLUDING CHIEF JUSTICE SIR ISAAC HYATALI, THIS WEEK BEGAN HEARING THE APPEAL AGAINST A LOWER COURT DECISION WHICH DECLARED THE CANE FARMERS INCORPORATION AND CESS ACT UNCONSTITUTIONAL. THE ORIGINAL DECISION GAVE THE ISLANDWIDE CANE FARMERS TRADE UNION (ICFTU) THE RIGHT TO REPRESENT ITS LIMITED OFFICIAL USE

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MEMBERS IN DEALINGS WITH THE CARONI SUGAR MANUFACTURING COMPANY WHICH BUYS ALL OF THE CANE FARMERS CROP. CARONI, REPORTEDLY ACTING UNDER ORDERS FROM THE GOVERNMENT, HAS ABSOLUTELY REFUSED EVEN TO TALK TO THE ICFTU, WHICH IS LED BY FORMER ARMY LIEUTENANT RAFFIQUE SHAH. THE ICFTU'S RIVAL, THE STATUTORILY-ESTABLISHED TRINIDAD ISLANDWIDE CANE FARMERS ASSOCIATION (TICFA), PROPOSED TO CARONI THAT IT OPEN AND OPERATE ONE OF CARONI'S FACTORIES SO THAT TICFA MEMBERS,

WHO ARE NOT SUPPORTING THE NO-CUT CAMPAIGN, COULD CUT AND SELL THEIR CANE. AFTER SOME REFLECTION, CARONI WISELY TURNED DOWN THE OFFER WHICH WOULD HAVE UNDOUBTEDLY PROVOKED A VIOLENT CONFRONTATION BETWEEN THE CONTENDING GROUPS OF SUGAR WORKERS AND CANE FARMERS.

5. IN RESPONSE TO A LETTER IN WHICH THE THREE LEADERS OF THE ULF ASKED GOVERNOR GENERAL SIR ELLIS CLARKE TO ARRANGE A ROUND-TABLE MEETING BETWEEN THE GOVERNMENT, LABOR, AND MANAGEMENT OFFICIALS CONCERNED TO DISCUSS THE CRISIS, THE GOVERNOR GENERAL INFORMED THE ULF THAT HE HAD BEEN UNABLE TO DO SO BECAUSE HE COULD NOT GET "CERTAIN PEOPLE" TO AGREE TO THE MEETING. OTHER EFFORTS BY BUSINESS GROUPS AND OPPOSITION POLITICAL LEADERS TO GET THE GOVERNMENT TO SPEAK OUT OR DEAL WITH THE PROBLEM HAVE CONTINUED TO BE UNSUCCESSFUL. OPPOSITON SENATOR LLOYD BEST RAISED THE MATTER IN AN APRIL 1 MEETING OF THE SENATE BUT RECEIVED ONLY ASSURANCE FROM MINISTER OF PETROLEUM AND MINES FRANCIS PREVATT THAT THE GOVERNMENT WAS AWARE OF THE PROBLEMS AND WAS CONSIDERING WHAT SHOULD BE DONE IN THE NEAR FUTURE. PRIME MINISTER WILLIAMS HAS STILL NOT ACTED ON ANY OF THE BASIC PROBLEMS OR GIVEN AN INDICATION OF WHAT SOLUTIONS THE GOVERNMENT DESIRES EXCEPT FOR THE PREVIOUSLY REPORTED MEASURES TO ASSURE GASOLINE FOR ESSENTIAL SERVICES AND AN ENQUIRY INTO ELECTRICITY FAILURES. MEMBERS OF THE REGIMENT (ARMY) ARE STILL ON DUTY DELIVERING FUEL TO ESSENTIAL SERVICES INCLUDING AVIATION FUEL TO PIARCO AIRPORT AND SUGAR TO HOSPITALS.

6. FOR CONSUMERS, THE OUTLOOK IS BLEAK. TANK WAGON DRIVERS FOR THE TRINTOC AND NATIONAL PETROLEUM COMPANIES HAVE NOT MADE DELIVERIES TO SERVICE STATIONS SINCE THE EASTER WEEKEND (WHEN THEY EARNED TRIPLE TIME FOR WORKING ON PUBLIC HOLIDAYS). GASOLINE SHORTAGES HAVE SERIOUSLY DISRUPTED THE COUNTRY'S LIMITED OFFICIAL USE

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TRANSPORTATION SYSTEM, WHICH IS HEAVILY DEPENDENT ON PRIVATE AUTOMOBILES AND TAXIS. MANY BUSINESSES HAVE BEEN FORCED TO CURTAIL PRODUCTION AND SERVICES. SHORTAGES OF BOTTLED GAS AND KEROSENE HAVE MORE DIRECTLY AFFECTED THE PUBLIC AND HAVE CASUED A RUN ON CHARCOAL BURNING "COAL POTS." NO SUGAR IS AVAILABLE IN GROCERY STORES.

7. COMMENT: ALTHOUGH IT IS APPARENT THAT THE CHALLENGE POSED BY THE STRIKING WORKERS IS BASICALLY POLITICAL RATHER THAN INDUSTRIAL AND THAT GOVERNMENT ACTION WILL PROBABLY BE REQUIRED TO RESOLVE THE CRISIS. PRIME MINISTER WILLIAMS HAS REMAINED ON THE SIDELINES AND TAKEN ONLY THE MINIMALLY NECESSARY STEPS TO KEEP THE COUNTRY FROM COMING TO A COMPLETE HALT. RATHER THAN COMPROMISE WITH THE LABOR LEADERS, HE IS EVIDENTLY BETTING THAT THE UNPLEASANT REALITY OF NO PAY WILL

SOON FORCE THE STRIKING WORKERS THEMSELVES TO COMPROMISE
OR WILL BREAK THE RECENTLY-FORMED UNITED FRONT OF OIL AND
SUGAR WORKERS. IN THE CASE OF RAFFIQUE SHAH, THE GOVERNMENT
APPEARS PARTICULARLY DETERMINED TO DENY THIS FORMER MUTINEER
EVEN THE SMALL POLITICAL BASE WHICH THE ICFTY REPRESENTS,
ALTHOUGH THE MEANS TO SATISFY HIS CENTRAL DEMNAD, RECOGNITION
OF THE ICFTU, IS LEGALLY AVAIALBLE AND DOING SO WOULD REMOVE
ONE OF THE MAJOR EMOTIONAL ISSUES FROM THE SUGAR DISPUTE.
UNLESS OR UNTIL EITHER THE GOVERNMENT DECIDES TO ACT ON ITS
RESPONSIBILITY FOR GOVERNING THE COUNTRY AND UPHOLDING THE
LAW OR THE ECONOMIC NECESSITY OF RETURNING TO WORK BREAKS
ONE OR ALL OF THE STRIKES, IT SEEMS LIKELY THAT THE CRISIS
WILL DRAG ON FOR SOME TIME TO COME.
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